SUPREME COURT, U. S.

Supreme Court, U.S.
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NO. ~~18081~~ 70-263

UNITED STATES SUPREME COURT

JOYCE LEE, and JOYCE EVE
LEE COSMETICS, INC.

Petitioners,

vs.

SENTA MARIA RUNGE,

Respondent.

PETITION FOR CERTIORARI

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A. Reference To The Official and Unofficial Reports of The Opinions Of The Courts Below

The report of the opinion of the District Court is contained in 161 USPQ 770. The opinion of the Court of Appeals is not reported. Copies of the opinion of the District Court and Court of Appeals are attached as Appendices A and B, respectively.

B. Concise Statement Of The Grounds on Which The Jurisdiction of The Court Is Invoked

On March 26, 1971 the Court of Appeals entered a judgment pursuant to Rule 36 of the Federal Rules of Appellate Procedure affirming the judgment of the Court below:

Appellant did not petition for a rehearing. On May 13, 1971 the Court of Appeals filed an order under Rule 41(a) of the Federal Rules of Appellate Procedure staying issuance of the certified copy of the judgment pending the filing, consideration and disposition by the Supreme Court of the United States of a petition for writ of certiorari to be made by appellants, provided such petition were filed in the Clerk's Office of the Supreme Court of the United States on or before June 12, 1971.

Jurisdiction of this Court to review the judgment in question by writ of

certiorari is conferred by Section 1254(1) of Title 28, United States Code.

C. Questions Presented For Review

1. Is the constitutional standard in Article I, Section 8, Clause 8, of the United States Constitution, "to promote the progress of science and useful arts," applicable to copyrights?

2. If so, does the copyrighted work of Santa Maria Runge, meet the constitutional standard if construed to cover the Joyce Lee book?

3. If an author sells material to a magazine publisher and after publication of the material in the magazine without a copyright notice in the name of the author and without an assignment to the author of the publisher's copyright in the magazine, can the author incorporate and publish the material in a book copyrighted by the author and bring an action on the author's copyright in the book for infringement of the material first published in the magazine without the consent of

and without joining the publisher?

4. Does an author dedicate material to the public if he sells the material to a magazine publisher and, after publication of the material in the magazine which is copyrighted only in the name of the publisher, he incorporates and publishes the material in a book copyrighted in the name of the author without first recording an assignment to him of the publisher's copyright in the magazine?

5. Does it constitute unclean hands for the author to fail to specify in a certificate of copyright the new matter in the copyrighted work?

6. Does a copyright in a non-dramatic work, which describes unpatented processes covering a system ofexercises, cover a work containing a non-literal description of said processes or system, or, in other words, does such a copyright cover all writings describing the pro-

cesses or system?

7. Is the admission in a jury case of hearsay evidence over objection to prove damages for copyright infringement inconsistent with substantial justice under Rule 61 of the Federal Rules of Civil Procedure, if the hearsay is the only evidence of damages, or even if it is not?

8. Does a copyright cover an idea itself?

D. Constitutional Provisions, Treaties, Statutes, Ordinances or Regulations Which the Case Involved

Article I, Section 8, Clause 8, of the United States Constitution provides that:

"The Congress shall have the power ...

* * *

"(8) To promote the progress of science and useful arts by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries;"

Section 32 of Title 17, United States Code, provides that:

"When an assignment of the copyright in a specified book or other work has been recorded the assignee may substitute his

name for that of the assignor in the statutory notice of copyright prescribed by this title."

Rule 61 of the Federal Rules of Civil Procedure provides that:

"No error in either the admission or the exclusion of evidence and no error or defect in any ruling or order or in anything done or omitted by the court or by any of the parties is ground for granting a new trial or for setting aside a verdict or for vacating, modifying, or otherwise disturbing a judgment or order, unless refusal to take such action appears to the court inconsistent with substantial justice. The court at every stage of the proceeding must disregard any error or defect in the proceeding which does not affect the

substantial rights of the parties."

E. Concise Statement of the Case

On May 16, 1966, plaintiff-Appellee Senta Marie Runge, hereafter called Miss Runge, sued defendants-Appellants Joyce Lee, hereafter called Miss Lee, and Joyce Eve Lee Cosmetics, Inc., hereafter called Lee Inc., for copyright infringement and unfair competition and requested a jury trial. C.Tr.2.* On May 2, 1967, Miss Runge filed an amended complaint for copyright infringement and unfair competition and again requested a jury trial. C. Tr. 90. On May 23, 1967, Miss Lee and Lee Inc. filed an answer and counterclaim to the amended complaint. C. Tr. 99. The counterclaim was withdrawn during trial.

On February 17, 1969, the jury returned a verdict against Miss Lee and Lee Inc. for damages for copyright infringement in the amount of $80,000 and for damages for unfair competition in the amount of $40,000. The jury also

returned a verdict for punitive damages for unfair competition against Miss Lee in the amount of $25,000 and against Lee Inc. in the amount of $20,000. C. Tr. 557. Thereafter, the Court held a trial in equity on the issue of an accounting for profits and an injunction. R. Tr., Vol. 2, 3/24/69, pp. 589-699**; R. Tr., Vol. 3, 3/25-26/69, pp. 700-888. The Court found the net infringing profits to be $64,253, granting an injunction, awarded attorney's fees in the amount of $12,000 and ordered the destruction of 11,158 copies of Miss Lee's book valued at over $250,000.00. On April 21, 1969, the Court filed its Findings of Fact and Conclusions of Law, Cl. Tr. 600, and a Judgment, Cl. Tr. 606, in accordance

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* Clerk's Transcript, page 2

** Reporter's Transcript, Vol. 2, March 24, 1969, pages 589-699.

with its findings and the jury verdict.

Defendants filed a Motion for a New Trial, C. Tr. 612, a Motion for Judgment Notwithstanding the Verdict, C. Tr. 627, and a Motion for Stay of Judgment and To Fix Supersedeas Bond, C. Tr., 678, which were denied. C. Tr., 723, 725.

Miss Lee and Lee Inc. filed a timely Notice of Appeal on June 23, 1969. C.Tr. 727.

The Court of Appeals had jurisdiction under Title 28, United States Code, Sections 1291 and 1294 (1) and Rule 73(a) of the Federal Rules of Civil Procedure.

Miss Runge obtained a certificate of copyright, Plaintiff's Exhibit 1, on her book, "Face-Lifting by Exercise", Plaintiff's Exhibit 2, which was copyrighted in 1961. Miss Runge admitted that she was not the sole originator* of the exercises, R. Tr., Vol. 4, 2/6/69,

*Webster's New World Dictionary (College

pp. 433-434, 458-461, 507, 512; R. Tr., Vol. 5, 2/7/69, pp. 563, 569-572, which are basically isometrics. R. Tr., Vol. 4, 2/6/69, page 541. In her brief in the Court of Appeals she admitted that she "delved into books on anatomy that described the muscle structure of the face;" that she "read books on physical therapy, learning from them the benefit of slow-controlled, long-range movements of the muscles;" that she "exchanged information and material that she collected from magazines and newspapers of the day with a few actress friends;" and that they

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*Edition) defines originator as

> "a person or thing that originates something."

It defines originate as

> "to bring into being; especially, to create (something original); <u>invent</u>." (underlining added)

"experimented on each other's faces and practiced muscle movements on the face and neck before one another." Appellee's Brief, pp. 5-6

Prior to publishing her book, Runge authorized Conde Nast Publications to print part of it in the February 15, 1959 issue of Vogue Magazine, Plaintiff's Exhibit 28. Conde Nast obtained a certificate of copyright, defendants' Exhibit AC, in 1959 on that issue of Vogue Magazine. However, Runge did not obtain a copyright on the Vogue article in her name and it did not bear a separate copyright notice in her name.

The opinion of the Court of Appeals, states that: "Runge's agreement with Vogue provided that the magazine acquired only publication rights to the materials and that the copyright was to revert of Runge for all further uses as of January

1, 1960. Thus, Runge was the beneficial owner of the copyright and entitled to unrestricted use of the materials after January 1, 1960." (Appendix B, page 3). This portion of the opinion was lifted from Appellee's Brief (at pages 34-35), which contains no citations to relevant testimony or exhibits. The facts are as follows: Plaintiff's Exhibit 27, a letter from the Managing Editor of Vogue to Runge, dated December 23, 1958, states:

> "This is to confirm in writing our telegrammed correspondence of these past weeks. We are delighted with your face lifting exercises and with your agreement to our plan for buying your manuscript notes and photographs for the sum of $500."

Runge recognized that the copyright in her material belonged to Vogue when she stated in an Affidavit in Opposition

to Defendants' Motion for Summary Judgment* served November 14, 1967, that (at page 2, lines 15-17):

"Since May 1966, I have tried to get a formal re-assignment of copyright from Vogue through my attorney, but I have not been able to do so to this day." Cl. Tr. 211.

Furthermore, Runge's attorney stated in the Memorandum of Points and Authorities in Opposition To Defendants' Motion for Summary Judgment, also served November 14, 1967, that (at page 8, lines 14-17):

"However, plaintiff's inability to obtain a formal re-assignment of such copyright from Vogue forces

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*The Court took judicial notice of the files and Records in the equity case. R. Tr., Vol. 8, 2/26/69, pp. 885-886.

plaintiff to rely solely on the new matter in the copyright for the purposes of this action."

Cl. Tr. 175

In this connection, Mr. C. Coudert Nast, an attorney for Conde Nast, wrote a letter dated November 15, 1961, defendants' Exhibit PO for identification, to Mr. David Savoy, Miss Runge's public relations man, stating:

"Following the publication of the Senta Runge article on face-lifting by exercise in the February 15, 1959 issue of Vogue, our client received a letter from a German woman claiming that the article in Vogue had been appropriated without permission from a booklet written by her. The German author's letter was followed shortly thereafter by a more formal

complaint by the publisher of the German pamphlet. The second letter included a formal complaint for copyright infringement."

The District Court ruled that all inquiry into this matter was irrelevant and immaterial on any issue, including unclean hands and credibility. R. Tr., Vol. 7, 2/11/69, pp. 939-943; R. Tr., Vol. 3, 3/25-26/69, pp. 855-863.

Nevertheless, the jury was permitted to find infringement based solely on the Vogue material.

Cf. the exercises in Runge's book that were the same as in the Vogue article, which included Nos. 8-11, Affidavit of Plaintiff Senta Maria Runge in Opposition to Defendants' Motion for Summary Judgment, filed 11/15/67, C. Tr., 211, Page 5, lines 15-19, with Runge's argument to the jury that Miss Lee had infringed these same exercises, particularly No.10.

R. Tr., Vol. 8, 2/12/69, pp. 975-976

Defendants' Requested Special Instruction No. 9A asked that the jury be instructed that plaintiff had no copyright in the Vogue material. R.T. 489. The instruction was refused and defendants objected to the refusal. R. Tr., Vol. 1, 2/13/69, pp. 72-73.

Runge incorporated and published the Vogue material together with new matter in her book in 1961 with a notice of copyright in her name but without the recordation of any assignment from Vogue, which she never obtained.

Furthermore, Runge concealed the prior publication in Vogue by leaving blank Item 5, "New Matter In This Version," in her certificate of copyright, Plaintiff's Exhibit 1.

Miss Lee hired a professional "rewriter" to make sure that the literary style and arrangement of the words in the

infringing book were original and easily understood. R. Tr., Vol. 3, 2/5/69, pp. 315-317. A side by side, word by word comparison of the two books is contained in Exhibit A to Plaintiff's Answers to Defendants' Interrogatories, filed 1/26/67, C. Tr. 27. These answers clearly show that there was no literal or word-for-word copying. As a typical example, Exhibit A states (at pages 26-27) that Runge's Exercise No. 8 is infringed by Lee's Exercise No. 12A as follows:

Runge Exercise No. 8, Plaintiff's Exhibit No. 2, pp. 96-97	Lee's Exercise No. 12A, Plaintiff's Exhibit 3, pp. 107-109
"For Horizontal Lines on Forehead	
. . .	"PRELIMINARY: . . .
"Assume the	"Position illustra-

position in Picture A (reference to photo at top of page 97)

"1. . . . Press skin onto the bone.

"2. Push the skin up and press the fingers tight onto the bone to hold the resistance.

"3. Against this resistance pull muscles with great force downward as you pull down the eyebrows and [close] eyes tight on the count of 10 seconds in pretrain-

ted by photo on Page 107.

"MAIN EXERCISE:

"1. A. 'Move forehead down, in small, definite steps, . . . against THE RESISTANCE OF THE TAPE ON YOUR FOREHEAD. Then close eyes gently. Now close them tighter and tighter in small

ing . . .(See Picture	definite movements from 5 to 10 - then close them as tightly as possible. (Illustrated by photo on bottom of Page 108.) . . .
"Release muscles to starting position. . . for ten seconds.	"2. Release muscles . . . in gradual, controlled movements, counting back from 10 to 1, . . . in reverse steps." (p. 105)
"Caution . . .be aware that you do not scowl during the performance of this exercise. "Note: . . . frowning must be avoided in order	Hints: Do not scowl (bringing eyebrows inward cause lines between eyebrows and center of forehead)." (P. 107)

to keep the wrinkles
out . . ."

Obviously, the only similarities are the words "position", "muscles", "close eyes", "release muscles" and "do not scowl", words which were required by the similarity of the subject matter.

As a result, Runge had to try her case on the theory that Miss Lee infringed because her book described exercises for the same group of muscles, R. Tr., Vol. 7, 2/11/69, pp. 897-903; R. Tr., Vol. 8, 2/12/69, p. 974, and gave an ordinary person viewing her book the "same idea" as Runge's. R. Tr., Vol. 8, 2/13/69, p. 1047.

The opinion of the Ninth Circuit tacitly admits there was no literal copying in relying on the following language in Universal Pictures v. Harold Lloyd, 162 F. 2d 354, (9th Cir. 1947):

"Copying and infringement may exist, although the work of the pirate is so cleverly done that no identity of language can be found in the two works."

The decision of the Court of Appeals states that (Appendix B, page 5): "The record discloses evidence that appellants' infringement severely damaged the value of the reissue and republication rights of Runge's original book and her sequel."

The only such evidence was the hearsay testimony of Runge that Sherbourne Press refused to publish the manuscript of her sequel because the same exercises were "being advertised in a book for $25 on Channel 13." Said Runge, R. Tr., Vol. 4, 2/6/69, pp. 414-416:

Q. Who is Mrs. Sand?

A. Mrs. Sand was the editor in charge of my manuscript.

Q. At Sherbourne Press?

A. At Sherbourne Press.

Q. Did you have any discussion with Mrs. Sand?

* * *

THE WITNESS: Yes. . . .

Q. And did you meet with Mrs. Sand or did you call her on the telephone?

A. . . .I called Mrs. Sand on the telephone and I asked her -- .

Q. What was said in this conversation?

MR. GREENWALD: Your Honor, I will object to this telephone conversation as calling for hearsay.

THE COURT: The objection is overruled. Everything that is stated is not necessarily hearsay. Now, I don't even know until she testifies what it is, whether it is hearsay. If it is offered for proof of the truth of an issue, it is hearsay. If it is not, it is part

of the conversation, part of what took place and it is admissible.

BY MR. SIEGEL:

Q. Would you please state this conversation in substance, what you said to Mrs. Sand and what she said to you?

A. I said, "Mrs. Sand, I'm shocked about this sudden rejection of the manuscript that you people were first enthused about when everything was right about it and now it is rejected. Would you please be so kind, for my own satisfaction, as to explain to me the reason for it?".

And she said, "Well, we thought these exercises were original."

I said, "They are."

She said, "No, they are not."

I said, "Yes, they are."

She said, "No. These same exercises are being advertised in a book for $25 on Channel 13, something like Scientific Facial Exercises, and these are the same

exercises."

And I said, "I want you to know, Mrs. Sand, that this girl that published this book learned it from me and worked for me for ten months." And I said, "I did not copy from her."

She said, "Well, I'm shocked. I'm sorry to hear this. However, you must realize once a publisher has made up his mind no publisher wants to be second on the market."

That was the end of the conversation. I did send her a package of my creams in appreciation for this information.

THE COURT: Now, this statement is received . . . for the purpose of showing the conversation and statement of Mrs. Sand, the woman with whom Mrs. Runge had the conversation.

Finally, in Plaintiff's Requested Instruction No. 11, filed on May 27, 1968, C. Tr., 324, Runge asked for, and the

Court gave, the following instruction, R. Tr., Vol. 8, 2/13/69, page 1047:

> "You are instructed that an infringing copy is one that gives an ordinary person viewing it the same idea as the original. Copying is not confined to literal repetition . . ." (underlining added)

F. Direct and Concise Argument Amplifying the Reasons Relied On For Issuance Of The Writ

The Court should issue the writ as to questions (1) and (2) for the following reasons:

. This Court has repeatedly held that the validity of patents depends upon the standard expressed in Article I, Section 8, Clause 8, of the United States Constitution, that is, whether the patents "promote the progress of science and useful arts."

Graham v. John Deere, 383 U. S. 1, 148 USPQ 459, 462 (1966);

Anderson's-Black Rock, Inc. v. Pavement Salvage, 396 U.S. 57, 163 USPQ 673, 674-675 (1969).

In Graham v. John Deere, supra, this Court said (at page 462):

> 2 At the outset it must be remembered that the federal patent

power stems from a specific constitutional provision which authorizes the Congress "To promote the Progress of * * * useful Arts, by securing for limited Times to * * * Inventors the exclusive Right to their * * * Discoveries * * *." Art. I, Sec. 8.[1] The clause is both a grant of power and a limitation. This qualified authority, unlike the power often exercised in the Sixteenth and Seventeenth Centuries by the English Crown, is limited to the promotion of advances in the "useful arts." It was written against the backdrop of the practices-eventually curtailed by the Statute of Monopolies- of the Crown in granting monopolies to court favorites in goods or businesses which had long before been enjoyed by the

public. See Meinhardt, Inventions, Patents and Monopoly, pp. 30-35 (London, 1946). The Congress in the exercise if the patent power may not over-reach the restraints imposed by the stated constitutional purpose. Nor may it enlarge the patent monopoly without regard to the innovation, advancement or social benefit gained thereby. Moreover, Congress may not authorize the issuance of patents whose effects are to remove existent knowledge from the public domain, or to restrict free access to materials already available. Innovation, advancement, and things which add to the sum of useful knowledge are inherent requisites in a patent system which by constitutional command must "promote the Progress of * * * useful Arts." This is

the standard expressed in the Constitution and it may not be ignored. And it is in this light that patent "validity requires reference to a standard written into the Constitution." A. & P. Tea Co. v. Supermarket Corp., supra, at 154, 87 USPQ at 306.

Logically, this language should be equally applicable to the grant of copyrights since both the patent power and the copyright power stem from the same constitutional provision. Nimmer on Copyright, Section 10.1, page 33, fn. 7a. But see Note, Constitutional Limits on Copyright Protection, 68 Harv. L. Rev. 517 (1955). Yet, this Court has never decided this important question of federal law, that is, whether a copyright must meet the same constitutional standard as a patent.

The lower courts for some reason have consistently ignored the constitutional

standard in copyright cases and the Court of Appeals below specifically refused to apply it after it had been called to their attention. Said the Court of Appeals in this case (at page 3 of Appendix B):

> "The standard of 'novelty' urged by appellants is applicable to patents, but not to copyrights. The copyright standard is one of 'originality'."

Cf. Nimmer on Copyright, Section 10.1.

In holding that there was sufficient evidence of originality, the Court merely held that there was sufficient evidence that Runge was the "author." Nimmer on Copyright, Sections 6.1 and 10

Petitioners believe that this is an especially appropriate case for deciding whether the constitutional standard applicable to patents is also applicable to copyrights and, if so, whether the

copyrighted work of Runge meets the test, because Runge's book is a non-dramatic work which describes methods or process for removing facial wrinkles due to aging, comprising the performing in steps of various exercises on the face. Therefore, these processes are within the scope of Section 101 of Title 35, United States Code, which provides that:

> "Whoever invents or discovers any new and useful process, . . .or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title."

However, Runge did not attempt to patent the exercises and they went into the public domain. See Baker v. Selden, 101 U.S. 99 (1879) (at page 102):

> "To give the author of the book an exclusive property in the art described therein, when

no examination of its novelty has ever been officially made, would be a surprise and a fraud upon the public. That is the province of letters patent, not of copyright. The claim to an invention or discovery of an art of manufacture must be subjected to the examination of the Patent Office before an exclusive right therein can be obtained; and it can only be secured by a patent from the government."

Unless Runge's copyrighted work is subjected to the same test as a patent she will nevertheless have succeeded in "restrict[ing] free access to materials already abailable" by preventing others, particularly Joyce Lee, from using their own literary styles to describe or perform the same exercises.

Another constitutional requirement

of Article I, Section 8, Clause 8, is that the protected work of an author be a "writing." Since the Joyce Lee book is not a literal copy, the judgement extended protection to more than a writing; it extended the protection to a system or format for describing unpatented facial exercise, which is not protectible. Nimmer on Copyright, Section 8.5.

In this connection, the Court of Appeals relied on Universal Pictures v. Harold Lloyd, 162 F. 2d 354 (9th Cir. 1947), a case involving a dramatic work which held that identity of language was not necessary for copyright infringement. This Court should decide whether or not the application of such law in this case, involving a non-dramatic work, without a plot, characters or story, goes beyond the constitutional grants of protection for "writings." Otherwise, free competition in ideas will continue to be hampered by undue

extension of the copyright monopoly.

The statement of the Court of Appeals that "Appellants failed to attack the copyright's validity at trial" (at page 3 of Appendix B) is not correct. Joyce Lee submitted a multitude of jury instructions relating to validity, which were refused. See, e.g., Defendant's Requested Special Instruction No. 1B, which was not given and the failure to give was objected to. R. Tr., Vol. 1, 2/13/69, page 72-73.

The Court should issue the writ as to question (3) because the law relating to the divisibility of copyrights and the factual distinctions between a license and an assignment is in hopeless disarray. See Nimmer on Copyrights, Section 119. Furthermore, this Court has not spoken on the subject since Mifflin v. R.H.White, 190 U.S. 160 (1903).

The Court should issue the writ as to question (4) because this Court has

never interpreted Section 32 of Title 17, United States Code. In Group Publishers v. Winchell, 86 F. Supp. 573, 83 USPQ 461 (S.D.N.Y. 1949) and other cases, the Courts have universally held that publication of a work with a copyright notice in the name of the assignee (here Runge) before recordation of the assignment from the assignor (here Vogue) renders the notice defective and injects the work into the public domain. See Nimmer on Copyright, Section 123.4. Also, the decision of the Court of Appeals ignored this long line of authority and therefore has so far departed from the accepted and usual course of judicial proceedings and has so far sanctioned such a departure by the District Court as to call for an exercise of this Court's power of supervision.

The Court should issue the writ as to question (5) because again the dec-

ision of the Court of Appeals has so far departed from the accepted and usual course of judicial proceedings and has so far sanctioned such a departure by the District Court as to call for an exercise of this Court's power of supervision. See International Boitical v. Associated Mills, 239 F. Supp. 511, 514 144 USPQ 577 (N.D. Ill. 1964)

The Court should issue the writ as to question (6) because the decision of the Court of Appeals for the Ninth Circuit is in conflict with the decisions of the Second Circuit in Chautauqua School of Nursing v. National School of Nursing, 211 Fed. 1014 (W.D.N.Y. 1914) rev'd, 238 Fed. 15 (2d Cir. 1916) and Brief English System v. Owen, 48 F. 2d 555, 9 USPQ 20 (2d Cir. 1931). The Second Circuit cases answered question (6) in the negative, even where, as in the Chautauqua case, there was admitted

access. In Continental Casualty v. Beardsley, 151 F. Supp. 28, 32, 113 USPQ 181, 183-184 (S.D.N.Y. 1957), aff'd. 253 F. 2d 702, 117 USPQ 1 (2d Cir. 1958), cert. denied, 358 U.S. 816, 119 USPQ 501 (1958), Judge Palmieri relied on these Second Circuit cases in making the following statement (at pages 31-32):

> "The general purposes of copyright protection are to afford authors the right to reap the fruits of their expression and to promote the store of information and objects of culture available for public enjoyment and application. Where, however, an author's monopoly threatens to infringe unduly on public use of the ideas or objects of that expression, the courts have demonstrated flexibility in adjusting the conflicting theories.

> Thus copyrightability may be altogether denied, or, if copyright is upheld, restrictively protected by requiring almost verbatim copying to constitute infringement. In other situations, the subject and purpose of copyright may be explicitly defined so as not to authorize an overgeneralized monopoly which would restrict fair use of the disclosed information or objects."

This Court should approve these words and apply them to this case to find no infringement as a matter of law. See Nimmer on Copyright, Section 138, which states:

> ". . .The Court may compare the two works and render a judgment for the defendant on the ground that as a matter of law a trier of fact would not be permitted to

find substantial similarity."

The Court should issue the writ as to question (7) because the decision of the Court of Appeals has so far departed from the accepted and usual course of judicial proceedings and has so far sanctioned such a departure by the District Court as to call for an exercise of the Court's power of supervision.

The $80,000 verdict for copyright infringement was based solely on the hearsay testimony of Runge relating to her conversation with Mrs. Sands at Sherbourne Press, which testimony certainly surprised defendants. Elementary rules of evidence require that plaintiff should have been required to call Mrs. Sands so that defendants would have had an opportunity to cross-examine her on the reasons why Sherbourne Press refused to publish Runge's sequel, especially in view of the fact that Runge's original book

was of doubtful merit, having sold only 1,000 copies, R. Tr., Vol. 5, 2/7/69, page 579, and was out of print long before defendants published their infringing book. R. Tr., Vol. 5, 2/7/69, pp. 635-636. In this connection, the only documentary evidence in the subject did not mention defendants or their book. In a letter from Sherbourne Press to Runge, dated March 28, 1966, plaintiff's Exhibit 33, Mrs. Sands said:

> "I am returning to you under separate cover your manuscript AGELESS BEAUTY THROUGH MODERN SCIENCE which you submitted to us for consideration. I am sorry that we cannot offer you a contract on this, but there is no way that I could include your work in our projected lists.
>
> "I suggest that you submit this work to a publisher of paper-

back books and wish you every success.

"Thank you for your interest in Sherbourne Press."

The Court should issue the writ as to question (8) because the jury was instructed that a copyright covers an idea itself, which is in conflict with the applicable decisions of this Court. For example, in Mazer v. Stein, 347 U.S. 201, 100 USPQ 324, 333 (1954), this Court held that a copyright does not protect "the idea itself." See also Lear v. Adkins, 395 U.S. 653, 162 USPQ 1, 3, 7, 9 (1969) [there is a "strong federal policy favoring free competition in ideas which do not merit patent protection;" "federal law requires that all ideas in general circulation be dedicated to the common good unless they are protected by a valid patent;" "there is a strong federal policy favoring the full and free use of ideas in the public domain"].

Respectfully submitted,

MAHONEY, HORNBAKER & SCHICK
ROBERT D. HORNBAKER
401 Wilshire Boulevard
Santa Monica, California
90401

Robert D. Hornbaker

CERTIFICATE OF SERVICE

It is hereby certified that three copies of the foregoing Petition for Certiorari have been served this 4th day of June, 1971 on Irwin O. Spiegel, Attorney for Respondent, by depositing same in a United States post office or mail box, with first class postage pre-paid, addressed to said counsel of record at his post office address of 6380 Wilshire Boulevard, Los Angeles, California 90048.

Robert D. Hornbaker

because Church's extensive use of the word "Independent" sufficiently distinguished his business from those affiliated with appellant. The District Court also found that the terms "Volkswagen Service" and "VW Service" did not belong exclusively to Volkswagen, but have "come to mean in the mind of the public only that the advertiser services Volkswagen vehicles." (Finding of Fact No. 35.) Volkswagen contends that these findings, and the conclusions based thereon, are erroneous.

[1] It is not disputed that Church may specialize in the repair of Volkswagen vehicles. He may also advertise to the effect that he does so, and in such advertising it would be difficult, if not impossible, for him to avoid altogether the use of the word "Volkswagen" or its abbreviation "VW," which are the normal terms which, to the public at large, signify appellant's cars. Cf. Dodge Bros. v. East, 8 F.2d 872, 876-77 (E.D. N.Y. 1925). But these terms are not public property; they are registered trademarks. The goodwill inherent in them is Volkswagen's property. If another uses the marks in a manner which tends to deceive the public, Volkswagen is entitled to protection. Mershon Co. v. Pachmayr, 220 F.2d 879, 883, 105 USPQ 4, 7 (9th Cir. 1955). Although he may advertise to the public that he repairs appellant's cars, Church must not do so in a manner which is likely to suggest to his prospective customers that he is part of Volkswagen's organization of franchised dealers and repairmen. Ford Motor Co. v. Helms, 25 F.Supp. 698, 40 USPQ 33 (E.D. N.Y. 1938); Yale & Towne Mfg. Co. v. Haber, 7 F.Supp. 791, 792, 22 USPQ 246, 247 (E.D. N.Y. 1934); see Dodge Bros. v. East, supra at 877.

The question of whether Church's business was adequately distinguished from appellant's is one of fact. Each case of this type must be decided on its own facts, see Fleischmann Distilling Corp. v. Maier Brewing Co., 314 F.2d 149, 160, 136 USPQ 508, 518 (9th Cir. 1963).

In this case, on the basis of all of the facts and circumstances, we hold that the factual determinations of the District Court were not clearly erroneous. We cannot, therefore, overturn the decision that, in the light of the particular circumstances, Church's prominent use of the word "Independent" whenever the terms "Volkswagen" or "VW" appeared in his advertising was sufficient to distinguish his business to the eye of the customer " 'exercising that care, caution and power of perception which the public may be expected to exercise in the matter which it has in mind.' " National Van Lines v. Dean, 237 F.2d 688, 692, 111 USPQ 165, 168 (9th Cir., 1956), quoting American Automobile Ass'n v. American Automobile Owners' Ass'n, 13 P.2d 707, 710, 14 USPQ 263, 266 (Cal. 1932). It was appropriate for the District Court to weigh all of the pertinent factors. The size, style and appearance of the advertising articles and displays were among these factors. Another was the fact that Church did not use Volkswagen's distinctive lettering style or color scheme, nor did he display the encircled "VW" emblem. Under this view of the case, we need not reach the question whether the phrases "Volkswagen Service" and "VW Service" have become so identified in the public mind with appellant that their use by others constitutes unfair competition.

[2] Volkswagen further contends that the trial court erred in failing to enjoin Church's unlawful past practice of using "Volkswagen" as part of his business name, although he had abandoned this usage at the time of trial. There is little or no evidence in the record casting doubt on Church's good faith abandonment of this infringement, or indicating that it will be resumed, and thus we are unable to say that the District Court erred in refusing such an injunction. Fram Corp. v. Boyd, 230 F.2d 931, 934, 109 USPQ 4, 5-6 (5th Cir. 1956).

The judgment is affirmed.

District Court, C. D. California

RUNGE v. LEE et al.

No. 66-831 WB Decided Apr. 21, 1969

COPYRIGHTS

1. Accounting — Damages — Copyrights (§ 11.253)

Copyright proprietor is entitled to award of the higher amount of her damages or infringer's profits.—Runge v. Lee (DC CCalif) 161 USPQ 770.

Action by Senta Maria Runge against Joyce Lee and Joyce Eve Lee Cosmetics, Inc., for copyright infringement and unfair competition. Judgment for plaintiff.

IRWIN O. SPIEGEL, Los Angeles, Calif., for plaintiff.

ROBERT D. HORNBAKER and MAHONEY, HORNBAKER & SCHICK, both of Los Angeles, Calif., for defendants.

BYRNE, District Judge.

APPENDIX "A"

This cause for copyright infringement and unfair competition having been tried before a jury on February 3, 4, 5, 6, 7, 10, 11, 12, 13, 14 and 17, 1969, and the jury having found for the plaintiff, Senta Maria Runge, and against defendants Joyce Lee and Joyce Eve Lee Cosmetics, Inc. for copyright infringement and having awarded plaintiff damages therefor against said defendants in the amount of $80,000.00, and the jury having further found for plaintiff and against said defendants for unfair competition and having awarded plaintiff damages against said defendants in the amount of $40,000.00 therefor, and in addition the jury having found that plaintiff is entitled to an award of punitive damages by way of example for unfair competition and having assessed punitive damages therefor against defendant Joyce Lee in the amount of $25,000.00 and against defendant, Joyce Eve Lee Cosmetics, Inc. in the separate and further amount of $20,000.00, and defendant Joyce Lee having withdrawn her counterclaim, and the matter having come on before the Court on March 24, 25, 26 and 27, 1969, for an accounting of profits for copyright infringement and injunctive relief and other remedies incidental thereto, plaintiff being represented by her attorney, Irwin O. Spiegel in such proceeding, and said defendants being represented by their attorney, Robert D. Hornbaker of Mahoney, Hornbaker and Schick, and the Court having heard evidence relating thereto and having considered the briefs and argument of counsel, and being fully advised in the premises, does now, therefore, make the following Findings of Fact and Conclusions of Law in respect to said matters, to wit:

Findings of Fact

I. The Court has jurisdiction of this matter under Title 28, Section 1338(a) and the Copyright Act of March 4, 1909, as amended, and enacted by Title 17 of the United States Code July 30, 1948, as amended, and Sections 101(a), (b), (c), (d) and 116 of Title 17 in respect to remedies for copyright infringement; and the Court has jurisdiction under Title 28, Section 1338(b) of the United States Code in respect to injunctive relief for unfair competition.

II. Based upon the stipulation of plaintiff and defendants, evidenced by defendants' Exhibit No. PD, the Court finds that the net infringing profits made by defendant Joyce Eve Lee Cosmetics, Inc. in the sale of defendants' infringing book entitled "The Joyce Lee Method of Scientific Facial Exercises" are in the amount of $64,253, computed as follows:

GROSS SALES		$180,485.00
Cost of Sales and Production		35,657.00
Gross Profit		$144,828.00
Overhead Expenses:		
Salaries	$16,311.00	
Supplies	2,834.00	
Legal and Audit	2,500.00	
Insurance	1,812.00	
Interest	916.00	
Office and Postage	10,636.00	
Advertising & Promotion	16,821.00	
Rent	8,176.00	
Taxes and Licenses	5,363.00	
Telephone	1,945.00	
Utilities	412.00	
Travel and Auto	10,836.00	
Depreciation	2,013.00	
TOTAL COSTS		$ 80,575.00
INFRINGING NET PROFIT		$ 64,253.00

III. The Court finds that defendants have 11,158 copies of said infringing book, "The Joyce Lee Method of Scientific Facial Exercises," in defendants' possession or under their control.

IV. The Court finds that defendants threaten and intend to continue to print, reprint, copy and sell defendants' said infringing book unless enjoined and restrained by order of this Court or the Court further finds that defendants threaten and intend to continue falsely and misleadingly to represent defendant Joyce Lee as the originator of exercises for the face, copied by defendants from plaintiff's book entitled "Face Lifting by Exercise", unless enjoined and restrained by order of this Court; and that defendants further threaten and intend to continue falsely and misleadingly to represent that the change in appearance of one Margaret Kaumlen, depicted in photographs and words relating thereto on the outside of the book cover of defendants' said infringing book and on frontis-pages x and xi therein, was the result of using the facial exercises contained in defendants' said book for the period of five months, unless enjoined and restrained by order of this Court.

V. The Court finds that plaintiff is entitled to a reasonable attorney fee as part of her costs in the prosecution of her claim for copyright infringement.

CONCLUSIONS OF LAW

[1] I. Inasmuch as the damages awarded to plaintiff by the jury for infringement of copyright in the amount of $80,000 are larger than the net infringing profits of defendant Joyce Eve Lee Cosmetics, Inc. in the amount of $64,253, plaintiff is entitled to an award of the higher of the two—that is, damages in the amount of $80,000 for copyright infringement against defendants and each of them. Universal Pictures Co., Inc. v. Harold Lloyd Corp., 162 F.2d 354, 73 USPQ 317 (9th Cir., 1947).

II. Plaintiff is entitled to an injunction permanently enjoining and restraining defendants and each of them and said defendants' officers, employees, agents, successors, affiliates, assigns, licensees, and each of them, from printing, reprinting, copying or vending defendants' said infringing book entitled "The Joyce Lee Method of Scientific Facial Exercises" or any version thereof that copies copyrightable subject matter from plaintiff's book entitled "Face Lifting by Exercise." Said injunction shall furthermore enjoin defendants and each of them, and said defendant's officers, employees, agents, successors, affiliated, assigns, licensees, and each of them, from representing publicly by written or oral utterances or statements that state in words or in substance that defendant Joyce Lee originated any of the exercises for the face contained in plaintiff's said book, "Face Lifting By Exercise." Said injunction shall furthermore permanently and absolutely enjoin and restrain defendants and each of them, and said defendants' officers, employees, agents, successors, affiliates, assigns, licensees, and each of them, from any further use of the comparative photographs of said Margaret Kaumlen appearing on the outside book cover and within defendants' said book, together with any statement or utterance in writing or orally, in words or substance that the change in appearance of said person depicted therein is the result of the use of any or all of the exercises for the face contained in defendant's said book, that were copied from plaintiff's said book. Title 17, Section 101(a), California Civil Code, Section 3369; O'Jala v. Bohlin, 178 Cal.App.2d 292.

III. Defendants shall deliver said 11,191 infringing copies of defendants' said book, "The Joyce Lee Method of Scientific Facial Exercises", to the Clerk of this Court forthwith and all transcripts, photographs and other matter used in connection with the production thereof, together with an affidavit stating that delivery constitutes all such books and such other matter; and the Clerk shall impound and keep said books and said other matter until the Judgment herein has become final; and when the Judgment has become final, the Clerk shall destroy the same. Title 17, Section 101(c)(d).

IV. Plaintiff shall be entitled to a reasonable attorney fee in the amount of $12,000 as part of her costs in this action for copyright infringement.

District Court, C. D. California

NORTHROP ARCHITECTURAL SYSTEMS v. FULLVIEW INDUSTRIES, INC., et al.

No. 67-1817-R Decided Apr. 25, 1969

PATENTS

Particular patents—Closure

2,913,046, Sharp and Frymire, Sliding Closure Construction, claim 3 invalid; claims 6, 7, 9, 10, 15, and 16 not infringed.—Northrop Architectural Systems v. Fullview Industries, Inc. (DC CCalif) 161 USPQ 772.

Action by Northrop Architectural Systems against Fullview Industries, Inc., United States Aluminum Corporation, International Window Corp., Lupton Manufacturing Co., and Premiere Aluminum Products, Inc., for patent infringement. On motion by Fullview Industries, Inc., for summary judgment. Motion granted.

MIKETTA, GLENNY, POMS & SMITH, WILLIAM POMS, and PAUL ADAMS, all of Los Angeles, Calif., for plaintiff.

FULWIDER, PATTON, RIEBER, LEE & UTECHT, FRANCIS A. UTECHT, and J. F. MCLELLAN, all of Long Beach, Calif., for Fullview Industries, Inc.

REAL, District Judge.

This consolidated cause came on for hearing on defendant's Lupton Manufacturing Co.'s Motion for Summary Judgment and on the prior joint Motion of United States Aluminum Corporation et al. and Fullview Industries, Inc. and the present Motion For Summary Judgment by Fullview Industries, Inc., adopted by United States Aluminum Corp., et al., after due consideration based upon its consideration of said motions, this Court now finds the facts and states the conclusions of law as follows:

UNITED STATES COURT OF APPEALS
FOR THE NINTH CIRCUIT

SENTA MARIA RUNGE,
Plaintiff-Appellee,

v.

JOYCE LEE and JOYCE EVE LEE COSMETICS, INC., a corporation,
Defendants-Appellants.

No. 24,664

[March 26, 1971]

Appeal from the United States District Court
Central District of California

Before: MERRILL, CARTER and KILKENNY, Circuit Judges

JAMES M. CARTER, Circuit Judge.

Runge filed suit against appellants Joyce Lee (hereafter Lee) and Joyce Eve Lee Cosmetics, Inc., (hereafter Lee Cosmetics) on related claims of copyright infringement and unfair competition pursuant to 28 U.S.C. §§ 1338 (a) and (b). Runge waived a jury trial, but the appellants demanded one. The jury awarded Runge: (a) $80,000.00 as compensatory damages for copyright infringement against Lee and Lee Cosmetics; (b) $40,000.00 as compensatory damages for unfair competition against Lee and Lee Cosmetics; (c) $25,000.00 as punitive damages for unfair competition against Lee; and (d) $20,000.00 as punitive damages for unfair competition against Lee Cosmetics. Thereafter, the district court judge determined, pursuant to stipulation, that the net profits from infringement were $64,253.00. The court elected, however, to award Runge the $80,000.00 as compensatory damages for infringement, instead of the amount of profits. The district court also granted Runge $12,000.00 for attorneys' fees, issued a permanent injunction against further copyright infringement or acts of unfair competition, and ordered the remaining copies of Lee's infringing book im-

BEST AVAILABLE COPY

pounded and destroyed. Judgment was entered accordingly. Lee and Lee Cosmetics appeal. We affirm.

Background:

Runge opened a salon in Los Angeles in 1957, where she instructed clients in facial exercise. In 1959, Runge wrote an article for *Vogue Magazine* describing her exercises, which became part of a book [*Face Lifting by Exercise*] that she published and copyrighted in 1961. Lee was a former interior decorator whose hobby was apparently the study and practice of facial exercise. In 1962, Lee was employed by Runge and was coached by her in facial exercise techniques. Lee gave exercise instructions at Runge's salon for about nine months, during which time she admittedly read and studied Runge's book thoroughly. In 1963, Lee left Runge's employ and opened her own salon in Los Angeles. In 1965, Lee published the allegedly infringing book—*The Joyce Lee Method of Scientific Facial Exercises.*

Runge's book contained verbal descriptions of various facial exercises, accompanied by illustrative photographs. The book sold approximately 1000 copies at $5.95, the last of which was sold in 1962. Lee's book also described various facial exercises, including virtually all those presented in Runge's book. Lee's book was quite elaborate and sold about 8000 copies at $25.00. During 1965, Runge was preparing for publication a sequel to her original book. Runge learned of Lee's literary endeavors only after her "sequel" manuscript was rejected by various publishers because Lee's book would be on the market first.

The Issues:

Appellants raise a multitude of issues, some of which we discuss later herein. We note at the outset that, by electing a jury trial, appellants have made it impossible to have the careful findings of fact and conclusions of law that would have been available to us had the trial been to the court. Instead, we have in the record the general verdicts of the jury and the instructions of law given by the court to the jury. These verdicts and instructions have become, in substance, the equivalent of findings of fact and conclusions of law. If there was sufficient evidence before the jury on a particular issue, and if the instructions of law on that issue were correct, then the jury's verdict must stand.

The major issues in the case are:

(1) Was the copyright valid; did appellants infringe; was there sufficient evidence of damage?

(2) Did appellants engage in unfair competition; was there sufficient evidence of damage?

(3) Was there error in the instructions to the jury?

Numerous secondary issues are presented and some of them will be discussed in the treatment of the issues listed above.

A. *Copyright Validity Issues:*

Appellants assert on appeal that Runge's copyright is invalid because: (1) the book lacked the element of "novelty"; and, (2) Runge failed to disclose in her copyright application the fact that portions of the book had been previously copyrighted by *Vogue Magazine*. Appellants failed to attack the copyright's validity at trial, but we will nevertheless consider the contention.

The standard of "novelty" urged by appellants is applicable to patents, but not copyrights. The copyright standard is one of "originality":

> "The requirements for the 'originality' necessary to support a copyright are modest. The author must have created the work by his own skill, labor and judgment, contributing something 'recognizably his own' to prior treatments of the same subject. However, neither great novelty nor superior artistic quality is required."

Doran v. Sunset House Dist. Corp., (S.D. Cal. 1961) 197 F. Supp. 941, 944, aff'd (9 Cir. 1962) 304 F.2d 251. There was sufficient evidence before the jury to support a finding that Runge's book satisfied the originality requirement.

Runge's agreement with *Vogue* provided that the magazine acquired only publication rights to the materials and that the copyright was to revert to Runge for all further uses as of January 1, 1960. Thus, Runge was the beneficial owner of the copyright and entitled to unrestricted use of the materials after January 1, 1960. See, *Witmer v. Harold Lloyd Corp.* (S.D. Cal. 1930) 46 F.2d 792, 795; *Goodis v. United Artists Television Inc.*, (2 Cir. 1970) 165 USPQ 3, reversing 278 F.Supp. 122 (S.D.N.Y. 1968).

Also, Runge's book contained substantial new matter not contained in her 1959 article. Therefore, the notice of copyright in the 1961 book represented complete compliance with the Act's requirements [17 U.S.C. § 7]. *See e.g., Wrench v. Universal Pictures Co. Inc.,* (S.D.N.Y. 1952) 104 F.Supp. 374. There was certainly no evidence that Runge's application was intended to or did in fact deceive or mislead anyone. Accordingly, we must conclude that Runge's omission, if any, was innocuous and did not render the copyright invalid. *Wrench, supra.*

B. *Copyright Infringement Issues:*

Assuming that Runge's copyright is valid, appellants contend that Lee's book was a *de minimus* infringement or merely "fair use" of Runge's materials. The record indicates that Lee's book contained all 16 of the exercises described in Runge's book, but presented only one completely different facial exercise.

Chautauqua School of Nursing v. National School of Nursing (2 Cir. 1916) 238 Fed. 151, relied on by appellants, contains the general principles of copyright law. (1) "There cannot be exclusive property in a general subject"; (2) "The rights of any person are restricted to his own individual production"; (3) One has "a right to consult all previous publications on the subject"; and (4) "the question is whether the writer has availed himself of the earlier writer's work without doing any independent work himself"; or put differently, is the "production the result of independent labor or copying". (238 Fed. at 153).

As stated in *Universal Pictures Co., Inc., v. Harold Lloyd Corporation* (9 Cir. 1947) 162 F.2d 354,

> "Complete or substantial identity between the original and the copy is not required. Copying and infringement may exist, although the work of the pirate is so cleverly done that no identity of language can be found in the two works."

Lee had access to Runge's book when she wrote her book. She was entirely familiar with the exercises as practiced by Runge. Lee's only published writing was an article in a newspaper on interior decorating. But Lee was able to write her book in one month during parts of November and December 1964. The complete manuscript was ready for printing in July 1965.

We have examined the court's instructions on the matter of copyrights and infringement, and cannot find them erroneous. The

court gave instructions favorable to appellants' theories, based in the main on appellants' requested instructions. These instructions read: "The law allows anyone the right to publish and copyright a new treatment of a subject; and a similarity of form or impression between the two different writers which necessarily follows due to the nature of the subject matter or idea being conveyed is allowable and permissible. A new treatment of a subject matter that demonstrates *its independent production, or using a prior work, as a model, is allowable and not an unlawful copy.* If you find that a subsequent writer *used her own labors, skills or common sources of knowledge open to all men,* and that the resemblances are accidental, or arise from the nature of the subject matter, this does not amount to a wrongful copying . . .". [Emphasis added]

One of the issues before the jury was whether Lee by her own labors had made an independent treatment of the subject matter, or whether she had copied from Runge's book and relied on Runge's labors. The jury found on this against the appellants. We sustain its verdict.

Appellants also attack the adequacy of the evidence supporting the jury's determination of damages from infringement. The record discloses evidence that appellants' infringement severely damaged the value of the reissue and republication rights of Runge's original book and her sequel. It is expressly provided in 17 U.S.C. § 1, that a person upon complying with the provisions contained in Title 17, shall have the exclusive right "(a) . . . to reprint . . . the copyrighted work", and "(b) . . . make any other version thereof . . .".

Runge testified that the value of her labor in writing the sequel was $20,000.00 (computed at $15 an hour), and that the value of publication rights for reissuance or continuation of her exercises was at least $100,000.00 (based on past experience). Credible testimony by the owner of literary property regarding its value can provide an adequate evidentiary basis for an award of damages. *Universal Pictures Co., Inc. v. Harold Lloyd Corp.* (9 Cir. 1947) 162 F.2d 354. The trial judge determined, pursuant to appellants' stipulation, that infringing profits amounted to $64,253.00 but elected to award Runge the jury's determination of $80,000.00 for compensatory damages from infringement. 17 U.S.C. § 101. Such an election is properly within the court's discretion. See *Universal*

Pictures, supra. Thus, appellant's attack on the adequacy of the record to support the damages awarded is without merit.

C. *Unfair Competition Issues:*

The unfair competition claims were based upon: (1) Lee having held herself out as the creator or originator of the facial exercises in question; and (2) Lee's use of deceptive "before" and "after" photographs on the cover of her book and in her promotional materials. It is important to note that since there were no findings in this jury tried case, and since the jury did not return special verdicts, we must sustain the jury's determination if *either* of the claims is legally sound and supported by adequate proof.

Appellants' first attack the jury's implicit finding that Runge was the originator of the facial exercises. Lee contends that there is no evidence that Runge did in fact originate the exercises and that, even if there were, such an interest is not legally protected. The court gave what we believe is a proper statement of the law, to-wit:

> "Where there is a secondary meaning or public identification between an author and a certain work or program and another person falsely represents that she is the originator of such work or program resulting in confusion of authorship, such representations constitute unfair competition."

See, e.g. Ojala v. Bohlin (1960) 178 Cal.App. 2d 292.

There was ample evidence from which the jury could have concluded that Runge was the creator or originator of the facial exercises. The record reflects that Lee refers to herself as the creator or originator of these exercises on numerous occasions in her book and promotional materials. Thus, there is sufficient evidence to support the jury's finding of unfair competition on this ground.

On the back cover of Lee's first edition and again on pages X and XI, there were two photographs of Margaret Kaumlen together with the following statements: "These photographs of Margaret Kaumlen at the age of 55 years [were] taken at an interval of five months. This transformation was the result of using the Joyce Lee method of scientific facial exercises". In Lee's second edition of her book, the statement was modified as follows: "Here on the right is the same Margaret Kaumlen at the age of 52, the startling transformation

was the result after five months of faithfully following the Joyce Lee method". These "before" and "after" photos were also used extensively in Lee's promotional materials and activities. Runge claimed these statements were false and misleading, and damaged her business reputation because she could not truthfully represent to prospective clients that her techniques would achieve similar results.

At trial, there was evidence that: (1) the "before" picture was a passport photo taken many years prior to the "after" picture; (2) the "after" photo was taken after Kaumlen had been performing the Lee exercises for only five months; but, (3) the "remarkable results" displayed in the "after" photo might also be attributable to facts shown by testimony in the record of the retouching of the photo negative, the wig worn by Kaumlen, and/or the slight cosmetic surgery that Kaumlen had undergone in the interim. On these facts, the jury could reasonably conclude that appellants' use of these photos constituted unfair competition.

Appellants also contend that the jury's award of $40,000.00 in compensatory damages for unfair competition was not supported by adequate evidence in the record. The record contains evidence that appellants' claims caused public confusion regarding the true originator of the exercises. Also appellants' "before" and "after" representations suggested results that Runge was forced to tell prospective clients could not be obtained by her methods. It seems inevitable that Runge's business and reputation would suffer as a consequence of these representations. Runge testified that she had lost many salon customers to appellants and her sales of related cosmetics had declined as a result of appellants' representations. Accordingly, we conclude that appellants' contention that there is insufficient evidence to support the jury's verdict is without merit.

D. Other Contentions:

Appellants contest the jury's award of punitive damages for unfair competition. The court's instructions were both legally sound and very explicit in setting forth the factual elements that the jury would have to find in order to award punitive damages. The determination that appellants' acts were wanton and malicious was

within the exclusive province of the jury. On this record, we cannot say that the jury's determination was erroneous.

Appellants attack the court's inclusion and exclusion of certain evidence. Having carefully reviewed these evidentiary rulings, we conclude that most of the rulings were entirely correct, and those that were arguably incorrect did not result in prejudice to appellants in view of the weight of other evidence in the record. We find no error.

Appellants assert that several of the court's instructions to the jury were incorrect statements of the law. We have reviewed these contested instructions and conclude that appellants' complaints are without merit.

Finally, the awarding of $12,000 attorney's fees was not improper. 17 U.S.C. § 116 provides that the court "may award to the prevailing party a reasonably attorney's fees as part of the costs." The patent cases cited by appellants are not applicable. The language of the old statute pertaining to patent cases, 35 U.S.C. § 70 (1946) and the new statute, 35 U.S.C. § 285 (1952) read differently from the copyright statute and do not control copyright cases.

The judgment of the district court is affirmed.

ARCATA GRAPHICS, SAN FRANCISCO 3-30-71—360